

## ***Draft* MEETING MINUTES**

### **CITY OF MILPITAS**

**Meeting Minutes:** **Regular Meeting of the Redevelopment Agency**  
***(Including Joint Meeting with the City Council)***

**Date:** **Tuesday, September 5, 2006**

**Time:** **7:00 PM**

**Location:** **City Hall Council Chambers, 455 E. Calaveras Blvd.**

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#### **JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**

**RA1. CALL TO ORDER** Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 9:08 PM.

**RA2. ROLL CALL** **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Gomez and Agency/Councilmembers Giordano, Livengood and Polanski

**ABSENT:** None

**RA 3. MEETING MINUTES** Motion: approve the Redevelopment Agency minutes of August 15, 2006, including joint meeting with the City Council, as submitted.

Motion/Second: Agency/Councilmember Giordano/Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5  
NOES: 0

**RA 4. Approval of Agenda and Consent Calendar** Motion: approve the agenda and RDA consent calendar

Motion/Second: Agency/Councilmember Giordano/ Agency/Councilmember Polanski

Motion carried by a vote of: AYES: 5  
NOES: 0

**RA 5. Progress Report on Library and East Parking Garage** City Engineer Greg Armendariz updated the Agency/Council on the City's new Library Project (due to the fact that CIP Manager Mark Rogge was unavailable at this meeting).

On August 31, pre-qualification statements were due with eight submittals received. That was deemed a very good response, considering current market conditions.

On October 24, final plans for bids would be issued, with bids due in December. That will mark a significant step toward the building project's progress.

Presently, the City was on track with the budget for the Library. A Project Stabilization Agreement (PSA) would be sought, and within it would be offered a great educational opportunity: partner with the high school and the building trades, working with MUSD, to get high school students the opportunity to see tradesmen at work. This is a unique idea put forward by CIP Manager Mr. Rogge.

Tuesday, September 26, was the proposed date for a low-key ground breaking ceremony for the Parking Garage building, as it gets underway.

Councilmember Livengood stated he was supportive of the unique plan to offer some

career information to our local students, in a “Career Day” type event proposed by CIP Manager Mr. Rogge.

Mayor Esteves mentioned the Library Subcommittee (on which he and Mr. Livengood serve) where it had been highlighted that the project stayed on budget and on plan.

Councilmembers thanked Mr. Armendariz for his informative progress report.

**RA 6. Report from Finance Director on the Unaudited Financial Report for End of the Fiscal Year 2005-06**

Finance Director Emma Karlen provided an overall financial picture for the City, based on an unaudited Fiscal Year 2005-06 close. Her handouts displayed that overall, in nearly all categories, actual income/revenues were higher than the budget anticipated.

She reviewed eight major categories of City revenues. Ms. Karlen highlighted several one-time revenues that would not be repeated in future budget years, including state motor vehicles license fees reimbursement, proceeds from the sale of the former City Manager’s residence, and reimbursement funds for SB90 claims (due to state-mandated activities reimbursed to cities).

Furthermore, an explanation of the transfer of Redevelopment Agency money to the City’s general fund was given, particularly noting the subject of the acquisition of eight properties by the Agency from the City. The money was not needed yet, and therefore, staff recommended deferring the transfer to FY 2006-07.

Councilmember Giordano inquired about the breakdown of building permits revenue. Staff explained that the majority of funds was from new housing starts, as well as commercial development and Mid Town projects.

An increase in the Fund Balance of \$3.46 million dollars was noted, when originally it was budgeted at only \$20,000. The Finance Director recommended setting aside \$2.4 million into the reserves for the unfunded liability of the retiree medical benefits.

Councilmember Livengood inquired about the transfer of money from the RDA to the City. He referred to an August 2004 memo from the former City Manager about how this plan would take place. How much money has actually been transferred, he asked? Staff replied, none. This year, none was transferred since it was not needed to date, due to so much savings having occurred.

Mr. Livengood asked further about the reserve balance. The undesignated reserve was the same as last year, but it required a set aside amount for the retiree medical benefits. He asked about the PERS stabilization fund and when it began. Staff replied four years ago. When was it used, asked Mr. Livengood? Ms. Karlen said when faced with PERS increases higher than expected, the City would tap into that fund as needed. This year, the City would not use any of that fund.

Councilmember Giordano gave thanks for the good fiscal news. Personally, she wanted to thank current the City Manager and complimented his work specifically with maintaining City services and the budget in check.

Mayor Esteves asked questions about the eight RDA-owned properties, with \$29 million due to City. Staff responded to his inquiries, explaining that the funds that could be transferred from RDA to the City had not been moved this year since the budget has balanced. That step would carry over to the next fiscal year.

Motion: note receipt of the year-end financial report from the Finance Director

Motion/Second: Vice Chair/Vice Mayor Gomez / Agency/Councilmember Livengood

Motion carried by a vote of:

AYES: 5  
NOES: 0

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| <p><b>* RA 7.</b> Fiscal Year 2005-06 Year-End Budget Adjustments</p>   | <ol style="list-style-type: none"> <li>1. Approved Fiscal Year 2005-06 year-end budget appropriations and transfers as itemized in the budget change form prepared.</li> <li>2. Approved three specific Capital Improvement Projects - CP 4133, CP 5074 and CP 4173 - to remain open.</li> </ol>                               |
| <p><b>* RA 8.</b> Accept 2006-07 Final Budget and 2006-2011 Final Capital Improvement Program</p>                                       | <p>Received and filed the two financial documents, the budget and the CIP for the next years.</p>  |
| <p><b>* RA 9.</b> Approve PG&amp;E Distribution Service and Extension Agreement for the new Library and Midtown East Parking Garage</p> | <p>Approved the agreement with Pacific Gas &amp; Electric and authorized payment of the associated \$48,313.33 fee to PG&amp;E from Project No. 8153.</p>  |
| <p><b>* RA 10.</b> Award Construction Contract: Main Sewage Pump Station, Access Improvements</p>                                       | <p>Awarded construction contract for Project No. 6079, Phase II, to Duran &amp; Venables Inc., in the amount of \$226,919.46.</p>  |
| <p><b>* RA 11.</b> Change Order for N. Main St Utilities Project—Weller Ln to Carlo St, Underground Utility District No. 5</p>          | <p>Approved contract change order in the amount of \$85,000 to D’arcy Harty Construction, Inc. for additional work for N. Main Street Utilities, Project No. 8153.</p>   |
| <p><b>* RA 12.</b> Authorization to Enter Negotiations with Matteson Cos. for Affordable Housing Units</p>                              | <p>Authorized entry into negotiations with The Matteson Companies to provide Redevelopment Agency financial assistance from its 20% Affordable Housing Set-Aside Fund. Matteson had a proposal to develop a 126 unit for-sale condominium project on a 2.72-acre site, located on South Main Street and South Abel Street.</p> |
| <p><b>* RA 13.</b> Owner Participation Agreement with Western Pacific Housing, LLC</p>  | <p>Adopted Resolution No. RA 265 approving execution of an Owner Participation Agreement with Western Pacific Housing, LLC with certain findings, relative to development of a 153-unit residential for-sale townhome project, located on So. Main Street near Montague Expressway.</p>  |
| <p><b>RA 14. ADJOURNMENT</b></p>  | <p>Chair/Mayor Esteves adjourned the Redevelopment Agency meeting at 9:35 PM.</p>  |

**Meeting minutes respectfully submitted by:**

**Mary Lavelle, Agency Secretary/City Clerk**